

TARGET

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T U E S D A Y

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MING LAM HOLDINGS LTD:

A SUBSTANTIAL SHAREHOLDER IS SUED FOR \$HK30 MILLION

What Is The Value Of A Guarantor ?

For the second time, this year, Tse's Finance Ltd () has issued legal proceedings in the High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), claiming a material sum of money from Ms Lu Hong Ying ().

Ms Lu Hong Ying is a Substantial Shareholder of Ming Lam Holdings Ltd () (Code: 1106, Main Board, The Stock Exchange of Hongkong Ltd).

In the latest legal action, brought by Tse's Finance Ltd, the Plaintiff in Writ of Summons, Number 782 of 2019, this HKSAR moneylender is claiming \$HK30 million from the First Defendant, Ms Lu Hong Ying, and the Second Defendant, (transliteration: Ding Lei).

The address of both Defendants is given in the Writ of Summons, as being:

Number 48, Orchard Street,

Glen Waverley,

Australia, VIC3150.

On February 18, 2019, Tse's Finance Ltd lodged Writ Number 256 of 2019 (Statement of Claim attached) in the HKSAR High Court, claiming \$HK60 million from Ming Lam Holdings Ltd (First Defendant) and Ms Lu Hong Ying (Second Defendant).

In that lawsuit, Tse's Finance Ltd alleged that the Plaintiff had lent to the First Defendant, the sum of \$HK60 million, the Second Defendant, having been the lone Guarantor of that purported loan.

In the latest HKSAR, High Court Action, Tse's Finance Ltd alleges that Ms Lu Hong Ying (the First Defendant), entered into a '*Loan Agreement*' with the Plaintiff on December 12, 2018, resulting in the Plaintiff, agreeing to lend \$HK30 million to her.

It is alleged, in the Statement of Claim, that the Second Defendant, , (*'has agreed to guarantee payment of the principal together with interest on behalf of the 1st Defendant to the Plaintiff.'*)

The Statement of Claim, attached to Writ of Summons, Number 782 of 2019, makes the following allegations against the lone Defendant:

- '1. *The Plaintiff is a Money Lender registered under the Money Lenders Ordinance, Cap.163 of the Laws of Hong Kong.*
- '2. *The 1st and 2nd Defendants reside at 48 Orchard Street, Glen Waverley, Australia, VIC3150.*
- '3. *By a Loan Agreement in writing dated the 12th day of December 2018 ("the Loan Agreement") made between the Plaintiff as Lender and the 1st Defendant as Borrower, the Plaintiff lent to the 1st Defendant a principal sum of HK\$30,000,000.00.*
- '4. *Clause 1.1 of the Loan Agreement stipulates, inter alia, that the amount of principal of the loan was Hong Kong Dollars Thirty Million (HK\$30,000,000.00).*
- '5. *Clause 7.2 of the Loan Agreement stipulates the interest on any outstanding amount of the said loan at the rate of 24% per annum commencing from 17th day of December 2018.*

- '6. *The 1st Defendant has paid the sum of HK\$900,000.00 being interest from 17th December 2018 to 31st January 2019 but failed to repay the interest on the principal sum from 1st February 2019 leaving the principal of HK\$30,000,000.00 and interest still due and owing.*
- '7. *In breach of the demands made by the Plaintiff pursuant to clause 8.2 of the Loan Agreement, the 1st Defendant has failed to make repayment of the loan.*

'Particulars required under Order 83A rule 3 of the Rules of the High Court

- '(a) *The date on which the loan was made was 12th December 2018;*
- '(b) *The amount actually lent to the Defendant was HK\$30,000,000.00;*
- '(c) *The rate of interest charged was 24% per annum for the duration of the loan from 17th December 2018;*
- '(d) *The date when the contract for repayment was made was 12th December 2018;*
- '(e) *The amount repaid: HK\$900,000.00 being interest from 17th December 2018 to 31st January 2019.*
- '(f) *The amount due but unpaid :- HK\$30,000,000.00 together with interest from 1st February 2019;*
- '(g) *The date upon which such unpaid sum became due was 17th March 2019;*

‘(h)

The amount of interest accrued due and unpaid on the principal sum is HK\$600,000.00 per month from 1st February 2019.

- ‘8. By a guarantee dated 12th day of December 2018 the 2nd Defendant has agreed to guarantee payment of the principal together with interest on behalf of the 1st Defendant to the Plaintiff ... [CLICK TO ORDER FULL ARTICLE](#)

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